

# FISCAL NOTE

**STATE OF ALASKA**  
**2014 LEGISLATIVE SESSION**

Bill Version SB 146  
 Fiscal Note Number 1  
 (S) Publish Date 1/29/14

Identifier (file name) DNR-DOG-1-21-14 Dept. Affected Natural Resources  
 Title Royalty Oil Sale Contract to Tesoro Appropriation Oil & Gas  
 Allocation Oil & Gas  
 Sponsor Rules by Request of the Governor  
 Requester Governor OMB Component Number 439

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY15 Appropriation Requested	Included in Governor's FY15 Request	Out-Year Cost Estimates				
			FY16	FY17	FY18	FY19	FY20
<b>OPERATING EXPENDITURES</b>	<b>FY15</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

	FY15	FY15	FY16	FY17	FY18	FY19	FY20
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Prgm (DGF)							
1007 I/A Rcpts (Other)							
1156 Rcpt Svcs (DGF)							
	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**POSITIONS**

	FY15	FY15	FY16	FY17	FY18	FY19	FY20
Full-time							
Part-time							
Temporary							

**CHANGE IN REVENUES**

	FY15	FY15	FY16	FY17	FY18	FY19	FY20
	***	***	***	***	***	***	***

**Estimated SUPPLEMENTAL (FY14) operating costs** 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY15) costs** 0.0 (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
 If yes, by what date are the regulations to be adopted, amended, or repealed? N/A Discuss details in analysis section.

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Initial Version

Prepared by Bill Barron, Director  
 Division Division of Oil & Gas  
 Approved by Joe Balash, Commissioner  
 Division Department of Natural Resources

Phone 907-269-8800  
 Date/Time 1/7/14 5:00 PM  
 Date 1/9/2014

**FISCAL NOTE ANALYSIS #1**

**STATE OF ALASKA  
2014 LEGISLATIVE SESSION**

**BILL NO.** SB 146

**Analysis**

This legislation provides legislative approval of an amendment to a contract to sell North Slope royalty oil to Tesoro Refining & Marketing, LLC for use in the Tesoro refinery at Nikiski, Alaska. This amendment will extend deliveries of North Slope royalty oil to Tesoro for an additional year until January 31, 2016. The State of Alaska will deliver royalty oil under the contract, as amended, starting February 1, 2014 through January 31, 2016.

If approved, the sale of royalty in-kind oil through this amendment will have no fiscal impact to operating expenditures and positive indeterminate change in revenues.